Iowa Department of Human Services

Iowa Marketplace Choice
Final Report
1115 Demonstration Waiver
January 2014 – December 31, 2016

October 2017

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I. Executive Summary

The Iowa Department of Human Services (DHS) has a history of seeking to improve the State's Medicaid program, as well as beneficiary choice, accountability, quality of care, and health outcomes. On January 1, 2014, the State implemented the Iowa Marketplace Choice (MPC) (Project #11-W-00288/5) §1115 Demonstration Waiver to provide access to healthcare for uninsured, low-income Iowans, while implementing a benefit design intended to improve health outcomes.

The MPC Demonstration originally provided coverage to adults ages 19 to 64 with income from 101% through 133% of the federal poverty level (FPL). MPC members received health care coverage through Qualified Health Plans (QHPs) on the Health Insurance Marketplace. Medicaid paid the members' premiums. On December 24, 2015, the State received Centers for Medicare and Medicaid Services (CMS) authority to move the MPC population to the Iowa Wellness Plan (IWP) (Project #11-W-00289/5) §1115 Demonstration Waiver as there were no longer any QHPs available to serve the MPC population. On January 1, 2106, all MPC enrollees were moved to the IWP to allow coverage for persons with incomes up to 133% of the FPL, through December 31, 2016. The §1115 MPC Demonstration Waiver ended on December 31, 2016, as there continue to be no QHPs available to serve the Medicaid population.

Overall, the Demonstration realized a variety of successes. Most notably, reducing the number of uninsured was a goal of the Demonstration. There was a 143% increase in enrollment over the Demonstration period. This reduced uncompensated care and lowered the uninsured rate in Iowa. Further, access to care was improved and found to be higher for MPC enrollees than low income adults enrolled in Medicaid State Plan coverage on multiple measures. However, ultimately the financial instability of QHPs on the Marketplace prevented the State from continuing operation of the program.

The Healthy Behavior program for MPC enrollees encouraged enrollees to obtain a medical or dental exam and complete a health risk assessment to avoid the payment of a premium. This was met with limited success. While information was sent to the enrollee about this program, enrollees voiced little understanding of the program. A recommendation for this behavior would include other methods to support the education of the healthy behavior program.

II. Introduction

The MPC was designed to strengthen Iowa's health care delivery system and deliver services to a previously uninsured population. The State sought to leverage Marketplace QHPs to provide health care coverage for low-income individuals to increase access to care and to bring more people to the private

market resulting in greater quality, efficiencies, and cost-savings for all Iowans. Further, MPC participants, based upon their level of income, are the most likely population to experience eligibility churn where they move from Medicaid eligibility to eligibility for premium tax credits on the Marketplace. Provision of coverage for these individuals through the Marketplace was intended to facilitate transition to subsidized Marketplace coverage.

The MPC §1115 Demonstration Waiver provided health and dental coverage to individuals between the ages of 19 and 64, whose income was at 101% and up to and including 133% of the FPL. These individuals were not medically exempt and did not have access to employer-sponsored insurance.

The MPC had a unique incentive program designed to improve the use of preventive services and other healthy behaviors through the elimination of monthly financial contributions for those that completed targeted preventive health services and healthy behaviors. Members were required to contribute financially toward their health care costs through monthly financial contributions. However, for the first 12 months of enrollment in the MPC, all monthly financial contributions were waived. If members completed healthy behaviors in their first 12 months of enrollment, the financial contributions were waived during the next 12 months of enrollment.

III. General Background

Prior to the implementation of the MPC Demonstration Waiver, Iowa had a limited benefit and provider program called IowaCare that covered adults who were not otherwise covered by Medicaid and had income up to 200% of the FPL. IowaCare covered medical services but did not cover prescription drugs or dental services. The provider network included one public hospital, one teaching hospital and six federally qualified health centers.

In 2013, the Iowa Legislature passed with bi-partisan support the Iowa Health and Wellness Plan (IHAWP) to provide access to healthcare for uninsured, low-income Iowans, using a benefit design intended to improve outcomes, and ultimately lower costs. Key goals were to ensure the IHAWP population had access to high-quality local provider networks and modern benefits that worked to improve health outcomes, and to drive healthcare system transformation by encouraging a shift to value based payments that align with important developments in both the private insurance and Medicare markets.

The IHAWP sought to provide a comprehensive, commercial-like benefit plan rather than the State Plan Medicaid benefit plan. The commercial-like benefit plan ensured provision of the Essential Health Benefits, indexed to the State Employee Plan benefits, with supplemental dental benefits similar to those provided on the Medicaid State Plan. Through a unique incentive program, the IHAWP also

sought to promote responsible health care decisions by coupling a monthly required financial contribution with an incentive plan for members to actively seek preventive health services and earn an exemption from the monthly contribution requirement. Original IHAWP options included the following:

1. The Iowa Wellness Plan (IWP), which covered adults ages 19 to 64, with household incomes at or below 100% FPL; and
2. The Marketplace Choice Plan (MPC), which covered adults age 19 to 64, with household incomes of 101% through 133% of FPL.

On December 10, 2013, CMS approved the Iowa Wellness Plan §1115 Demonstration Waiver (Project # 11-W-00289/5) and the Marketplace Choice §1115 Demonstration Waiver (Project # 11-W-00288/5), thereby enabling the state to implement the IHAWP on January 1, 2014.

Iowa Medicaid originally administered the IWP through several delivery systems including independent Primary Care Physicians (PCPs), Accountable Care Organizations (ACOs), and managed care plans. Services provided by independent PCPs and ACOs were provided on a fee-for-service basis, while managed care plans were compensated based on capitation.

The MPC Demonstration allowed enrolled members to select from participating commercial health care coverage plans available through the Health Insurance Marketplace. Medicaid paid MPC member premiums and cost sharing to the commercial health plan on behalf of the member. A waiver of freedom of choice allowed members to have access to the network of local health care providers and hospitals served by the commercial insurance plan. Historically, members could elect to receive coverage through one of two qualified health plans (QHPs). This was accomplished by CMS allowing a waiver of eligibility to require that MPC members enroll in the QHPs instead of utilizing the State Medicaid provider network. QHPs were allowed to pay providers at the provider rate they established.

At the time there was a nationwide trend of turnover in QHPs, the two QHPs withdrew from participating in MPC. This was in part due to fiscal insolvency. When there were no longer any QHPs available to serve the population, the coverage options were thereby eliminated for the MPC Demonstration. These members were subsequently enrolled in the IWP Demonstration, pursuant to the December 2015 amendment.

Eligibility in the MPC changed from the previous IowaCare to covering individuals from 101%up to and including 133% FPL using the standard Medicaid application and enrollment process. Cost sharing for the MPC consisted of contributions of $10 per member per month with the ability to have the contribution waived if the

member completed the healthy behaviors requirements (i.e., a health risk assessment and a wellness or dental exam). This waiver allowed the premium to be above the Medicaid allowable amount, yet still not exceed the 5% quarterly household income limit.

To further align with the commercial market and Marketplace policies, the State also received a waiver of non-emergency transportation (NEMT), as the authorizing legislation for the IHAWP did not permit coverage of NEMT. Further, in alignment with QHP regulations, the State received a waiver to permit QHPs to process pharmacy prior authorization in 72 hours. Finally, to further encourage appropriate utilization of services in the proper setting, an $8 copayment for the use of the emergency department for a non-emergent medical condition was imposed.

IV. Implementation of the Demonstration

Pre-implementation of the DemonstrationDemonstration included the development of a process to administratively transfer from IowaCare members with verified incomes from 101 to 133%FPL to the MPC. This process allowed members a seamless transition and uninterrupted health care.

Weekly meetings were held in 2013, to inform providers about the transition from IowaCare to MPC. The state had weekly meetings with the IowaCare Steering Committee to discuss issues related to the transition process, such as how premiums would work, the concept of healthy behaviors and transportation concerns.

On January 1, 2014, a new DHS Contact Center became available to assist individuals with the transition of new healthcare coverage and provide ongoing specialized support. The DHS Contact Center responded to inquiries from internal staff and external customers about enrollment and coverage options.

Outreach to members was conducted in early 2014. Members received educational information about the MPC through their initial welcome and enrollment packets. These packets provided information about the program, including information on available primary care providers and QHPs. Outreach also consisted of sending information about the Healthy Behaviors Program and how contributions could be waived.

Members were enrolled in one of two Marketplace QHPs, Coventry (Coventry) Health Care or Co-Opportunity Health (Co-Opportunity), for health care in those counties where the QHPs were operational. In November of 2014, Co-Opportunity withdrew from the Marketplace, and MPC members were transferred to the Iowa Wellness Plan provider network. With Iowa Medicaid preparing to move to Managed Care Organizations (MCOs), Coventry ended with the MPC

Plan on December 31, 2015. Medicaid fee-for-service provided health care coverage for January through March 2016, until the official start of three MCOs in Iowa Medicaid in April 2016.

In May 2014, dental benefits were added to the list of covered services. The Dental Wellness Plan (DWP) allows members to earn tiered benefits. The DWP was designed to include a set of Core benefits: preventive, stabilization and emergency services. In addition the DWP was designed to provide, additional benefits for members receiving periodic recall exams, including "Enhanced" benefits for one recall exam within six to twelve months of the initial visit and "Enhanced Plus" benefits for a second recall exam within six to twelve months of the first recall exam. Enhanced benefits include services such as restoration, root canals, non-surgical gum treatment and some oral surgery. Enhanced Plus benefits include services such as crowns, tooth replacements (bridges and partials) and gum surgery.

V. Operationalizing the Demonstration

In order to operationalize the Demonstration, Iowa was approved for seven different waivers:

1. **Eligibility Requirements Waiver– Section 1902(a)(10)(A)(i)(VIII).** This waiver required, as a condition of eligibility, for Medicaid expansion adults over 100% FPL to enroll in the QHPs. As both QHPs had statewide coverage, MPC members were allowed to choose the QHP. If a QHP was not chosen by a member, a QHP was randomly assigned. Midcourse changes included the withdrawal of the QHPs, Co-Opportunity in November 2014, and Coventry Healthcare in December 2015. This withdrawal was caused by the overall financial insolvency of the QHPs on the Iowa Marketplace, as is evidenced by the current availability of only one statewide QHP, who as of Spring 2016 was also indicating potential withdrawal from the Marketplace was imminent. Following withdrawal of the QHPs, these members were then enrolled in the Iowa Wellness Plan Demonstration and the MPC was no longer able to operate.

2. **Premium Waiver – Section 1902(a)(14) insofar as it incorporates Section 1916**. This waiver allowed the state to charge monthly premiums to MPC members that were above the Medicaid limits. Members were charged $10 per month in their second year of enrollment if they did not complete the Healthy Behavior program. Members could be determined medically exempt, pay no premiums and be enrolled in the Medicaid State Plan. Medically exempt includes individuals with disabling mental disorders (including adults with serious mental illness), individuals with chronic substance abuse disorders, individuals with serious and complex medical

conditions, individuals with a physical, intellectual or developmental disability that significantly impairs their ability to perform one or more activities of daily living, or individuals with a disability determination based on Social Security criteria. A member could also declare a hardship to have the premiums waived. The average ratio between members who owe premiums to those who completed healthy behaviors was 4:1.

3. **Methods of Administration – Section 1902(a)(4) insofar as it incorporates 42 CFR 431.53.** This waiver exempted coverage of non-emergency transportation (NEMT). The State has conducted multiple studies regarding the impact of the NEMT waiver. In 2014, the University of Iowa Public Policy Center (PPC) researched if there were differences in the access to care for IHAWP members for whom non-emergent transportation services were waived and the traditional Iowa Medicaid State Plan, whose members receive non-emergent transportation services. The study consisted of responses to member surveys and a network analysis to assess travel distance to available providers. These analyses indicated that there was little, if any, difference in the barriers to care for IHAWP versus Medicaid members as a result of transportation-related issues as assessed in the surveys. Key findings include:
    1. The majority of respondents of both groups drive themselves (77% Medicaid, 68% IHAWP) or are driven by family or friends (17% Medicaid, 22% IHAWP) to their health care appointments.
    2. There was no difference between Medicaid and IHAWP in the reporting of not having a reliable method to get to health care visits with around 2% reporting no reliable transportation.
    3. Overall, around 20% of Medicaid and IHAWP members reported usually or always needing help from others to get to a health care visit.
    4. Around 13% of both Medicaid and IHAWP enrollees reported an unmet need for transportation to or from a health care visit in the six months prior to the survey.
    5. Overall, less than 10% of members reported ever having used the Medicaid transportation benefit (8% of Medicaid enrollees and 4% of IHAWP).
    6. There was no difference between Medicaid and IHAWP in reported worry about the cost of transportation.
    7. IHAWP enrollees were asked the following question: “Do you think the care you received at your most recent visit to the ER could have been provided in a doctor’s office if one was available at the time? If so, what was the main reason you did not go to a doctor’s office or clinic for this care?” Of those surveyed who indicated they could have received care in a doctor’s office, the majority reported using the ER instead because the doctor’s office or clinic was not open when they needed care (63%). Only 2% reported they went to the ER due to transportation problems.

8. Transportation difficulties were the sixth most reported barrier to obtaining a physical exam with only 6% reporting this issue.

4. **Freedom of Choice Waiver** – **Section 1902(a)(23)(A).** This waiver limited the choice of providers to those participating in the QHP network. Data demonstrated that MPC members were able to access needed services through the QHP network; for example, 98% of enrollees lived less than 30 miles from the nearest primary care provider.

5. **Prior Authorization Waiver – Section 1902(a)(54) insofar as it incorporates Section1927(d)(5).** This waiver required QHPs to process pharmacy prior authorizations in 72 hours. This was allowed to align prior authorization standards for MPC members with standards in the commercial market. Those members who needed medication prior to the completion of the prior authorization were given a 72 hour emergency supply.

6. **Payment to Providers Waiver – Section 1902(a)(13) and 1902(a)(30).** This waiver was provided to permit the state to provide for payment to providers equal to the market-based rates determined by QHPs. This was not found to limit access to care; for example, as noted above, provider access was sufficient for waiver enrollees.

7. **Comparability Waiver – Section 1902(a)(17).** This enabled the provision of different benefits from the Medicaid State Plan and an $8 copayment for non-emergency use of the ER. This waiver was sought to ensure alignment with Marketplace coverage and continuity as members moved between Medicaid and Marketplace eligibility. The different benefit structure did limit coverage of some services such as no coverage for eye glasses. This caused a small number of complaints by MPC members, 259 complaints over a 2-year period.

In addition to the aforementioned successes described in this section, a major success of the Demonstration includes an overall reduction in Iowa's uninsured rate and an increase in enrollment by 143% over the Demonstration period. However, ultimately the program was unable to continue due to overall instability of the Marketplace and the financial solvency of the QHPs.

Opportunities for improvement include further education and outreach on the concept of the Healthy Behavior Incentive program. This includes how to better engage members in participating not just for the waiver of the premium, but for engagement in their own health care. As the State continues to operate the

Healthy Behaviors Incentive program in the Iowa Wellness Plan, findings will be used regarding opportunities for improvement in this area, including targeted outreach, incentives by the Managed Care Organizations (MCOs) and other outreach activities.

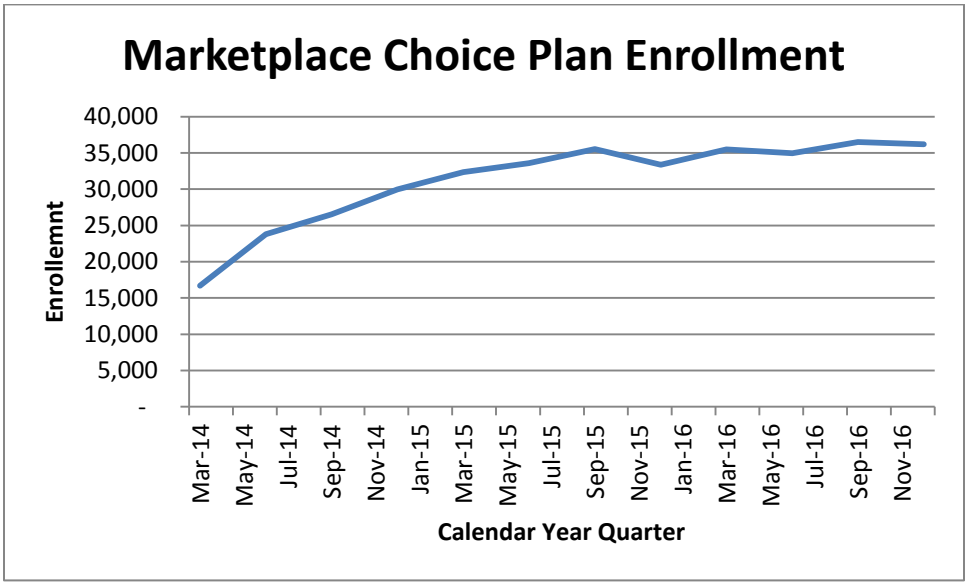
VI. Transition Plan

On January 1, 2016, all MPC members were moved to the Iowa Wellness Plan because there were no longer any participating QHPs. As members transitioned they experienced no change in covered benefits. The members were able to use the Medicaid network of providers or provider networks with the MCOs. A comprehensive communication strategy was implemented to ensure continuity of care as members transitioned to the Wellness Plan managed care delivery system. This included enrollee notification and stakeholder meetings throughout the state. To further ensure continuity, MPC members were allowed to keep their previous provider for up to 90 days after the transition. If their provider was not in the MCO network after this initial 90-day time period, members were given the opportunity to change MCOs.

VII. Impacts of the Demonstration

A. Beneficiary Impact

Enrolled members in this Demonstration waiver were adults ages 19 through 64 with incomes between 101 and 133 percent FPL. Enrollment grew from 15,483 to 37,609 or 143 percent over the two-year timeframe.



Evaluations of the MPC Demonstration indicate positive outcomes related to enrollee utilization of preventive care. For example, The Iowa Health and Wellness Plan Evaluation – Interim Report published by the PPC, indicates access to a medical provider for either preventive or ambulatory care, as

measured by the proportion of members with a visit was higher for MPC enrollees than under the former IowaCare program.

Few beneficiary grievances were raised during the Demonstration; the number of complaints averaged 122 per year or 0.32% of the total population. Of those complaints received, issues revolved around benefits and services, access, premiums and cost sharing, and healthy behaviors. The highest number of complaints was regarding covered benefits and services; these grievances related to non-covered services such as eyeglasses and lenses, hearing aids and services that required a prior authorization with the QHPs for which Medicaid does not require a prior authorization. The second highest complaint averaged only 19 per year and was regarding the healthy behaviors program. These complaints centered on the MPC members not understanding what the healthy behaviors program was and how this program could allow the member to waive premiums in the next enrollment period.

Education for both benefits and services and the healthy behaviors program was conducted throughout the Demonstration period. When the definition of healthy behaviors was changed to add a dental exam as a separate option from the medical exam, members were notified of the change in third quarter of 2014.

B. Utilization and Costs

The utilization of care and the costs of care of the Demonstration initial results can be found in the PPC Iowa Health and Wellness Plan Evaluation Interim Report at https://dhs.iowa.gov/sites/default/files/IHAWP_Interim_Report_2015.pdf; section Costs subsection Results. Based on this report, the MPC Per Member Per Month (PMPM) cost and used compared to similar population in the Medicaid State Plan PMPM cost and use “indicates that MPC members had significantly higher ED (Emergency Department) and prescription medicine cost, while use was significantly lower. This may be the result of difference in fee schedules and formularies.” Each health plan that participated with the marketplace was allowed to set their own fee schedule and drug formularies.

C. Cost Sharing

There were two types of cost sharing in this waiver Demonstration. The first was member contributions during the second year of the member’s enrollment. This, as stated earlier, applied to members who did not complete the Healthy Behaviors program. There was a $10 contribution per month. Members were allowed to claim hardship for any reason if they could not pay the monthly contribution. Members were allowed a 90-day contribution grace period. Members who did not pay the contribution were disenrolled from MPC plan; however, those who were disenrolled could reapply for the MPC at any

time. The State had demonstrated success in introducing the healthy behaviors incentive program; since the inception of the IHAWP, an average of over 50% of members with incomes from 50% to 133% of FPL successfully completed two required healthy behaviors necessary to waive premiums. This is based on data obtained from the State's Medicaid Management Information System.

The second type of cost sharing was a copayment for use of the emergency department (ED) for a non-emergent condition. This was implemented to encourage members to use primary care physicians and prevent inappropriate utilization of the emergency department. The interim evaluation report of the IHAWP indicated rates of non-emergency ED visits were lower for MPC members than for Medicaid enrollees.

There were no changes to the cost sharing requirements during the Demonstration period.

D. Delivery System Impacts

Most recently, on December 24, 2015, CMS approved the State's request to amend the IWP Demonstration to allow persons with incomes at or below 133% of FPL who were previously eligible for the MPC Demonstration to be eligible for the IWP Demonstration. This change had no impact on enrollment, benefits, enrollee rights, cost sharing, evaluation design, sources of nonfederal share of funding, budget neutrality, or other comparable program elements, and the transition of existing MPC Demonstration members into the IWP Demonstration took place on January 1, 2016. On February 23, 2016, CMS approved the State's request to implement a managed care delivery system for the IWP Demonstration, concurrent with the §1915(b) High Quality Healthcare Initiative Waiver, effective April 1, 2016.

This Demonstration reduced uncompensated care by providing coverage to a population not previously covered. By covering through the QHPs, state shifted risk to the QHPs and reduced uncompensated care provided by hospitals and physicians. Then, when the population was transitioned to Wellness Plan, continued reduction in uncompensated care and shift risk to the Managed Care Organizations.

E. Coverage and Access

Prior to the Demonstration, 30%of MPC members reported they did not have any health insurance coverage in the year before becoming eligible for the Iowa Health and Wellness Program according to the interim evaluation conducted by the PPC. This report can be found at: https://dhs.iowa.gov/sites/default/files/IHAWP_Interim_Report_2015.pdf. This

Demonstration had a 143% increase enrollment indicating there was a unmet need for health coverage.

An issue that could have had an impact on access was non-emergency medical transportation (NEMT). For members enrolled in the MPC, NEMT was not a covered benefit. CMS approved the request for no NEMT benefits for one year with the stipulation that this be evaluated at the end of the first year. Initial experience demonstrated that lack of NEMT services was not significantly impeding IHAWP member access to care. In fact, from January to June 2014, 39% of members received at least one service and over 14% of members completed physical exams in the first eight months, as compared to an annualized figure of 6.5% for Medicaid overall. This evaluation was conducted by the PPC and consisted of determining if there was unmet need by not having the NEMT benefit by IHAWP members compared to Medicaid State Plan members. A full description of NEMT outcomes can be found in the Operationalizing the Demonstration section.

The report can be found at: http://ppc.uiowa.edu/publications/non-emergency-medical-transportation-and-iowa-health-and-wellness-plan.

CMS extended the waiver for NEMT through June 30, 2016.

F. Quality

The PPC completed two interim evaluation reports on the MPC. In December of 2015, the Iowa Health and Wellness Plan Evaluation Report assessed access to health care and health outcomes. This evaluation report showed:

- Measure: Access to and unmet need for routine care

  Finding: Access to routine care was statistically significantly higher for waiver members than low income adults enrolled in Medicaid State Plan coverage.

- Measure: Access to primary care

  Finding: The majority of waiver enrollees (81 percent) reported had a regular source of health care (i.e. personal doctor/provider). This was greater than the previous IowaCare program, which was 67 percent.

- Measure: Non-emergent ED (Emergency Department) use

  Finding: The rates of emergency department (ED) visits and follow-up ED visits were lower for waiver members than State Plan members.

The percentage of potentially avoidable ED use was statistically lower among waiver members than low income adults enrolled in State Plan coverage (51 percent vs. 71 percent).

- Measure: Inpatient utilization- general hospital/acute care

  Finding: There was a statistically lower hospital admission rate (11 percent) for waiver members than low income adults in the State Plan coverage (16 percent).

- Measure: Compare Wellness Plan/Marketplace Choice PMPM costs to those in the Medicaid State Plan

  Finding: The waiver per member per month (PMPM) cost and use compared to the State Plan PMPM cost and use, the ED and prescription medicine PMPM and use are all significantly less.

- Measure: Well Adult Visit

  Finding: The rates of well-care visits were higher for waiver members than State Plan members.

- Measure: Geographic distance and time spent traveling to primary care provider

  Finding: 98 percent of waiver members lived less than 30 minutes from the nearest primary care provider.

This report can be found at:
https://dhs.iowa.gov/sites/default/files/IHAWP_Interim_Report_2015.pdf

G. Other Influences

The withdrawal of Co-Opportunity from the Marketplace due to fiscal insolvency caused the need to move away from the original intent of the Demonstration. With only one QHP, the state had to move Co-Opportunity members into the IWP provider network. Thus, experience of the private commercial marketplace was no longer an option.

VIII. Programmatic Outcomes and Findings

The MPC Demonstration set out to test the following key features:

- Whether offering multiple plan options to the MPC population that align with options available in the individual market would promote continuity of coverage for individuals;
- Whether the availability of third party payment for services at market rates would improve access to needed services;

- Whether reduced premiums could be an incentive for beneficiaries to use preventive services and engage in other healthy behaviors; and
- Whether removing state responsibility to ensure that beneficiaries have needed non-emergency transportation to and from providers would result in decreased beneficiary access to covered services.

Throughout the time period of the Demonstration, changes to Iowa's individual market had a profound effect on these key features. The Demonstration began with two QHPs and over time diminished to no QHPs participating. This caused members to transition out of the individual market and into Medicaid.

As the enrollment into the MPC increased, the percentage of members completing their healthy behaviors dropped. The average percent of members completing the healthy behaviors in 2015 was 49 percent compared to 26 percent in 2016.

Initial experience with non-emergency medical transportation showed that lack of non-emergency medical transportation was not significantly impeding IHAWP member access to care. The report detailing this information can be found at: http://ppc.uiowa.edu/publications/non-emergency-medical-transportation-and-iowa-health-and-wellness-plan.

IX. Budget Neutrality and Cost Efficiencies Findings

A. Budget Neutrality

Marketplace Choice Plan Budget Neutrality Calculations

Methodology

Per member per month costs are calculated from actual expenditures reported on the CMS-64 and actual member months reported in the quarterly reports. Estimated but not yet reported expenditures are also included. The estimated expenditures represent cost sharing reconciliation payments made in quarter-ending 3/31/2017.

	DY 01	DY 02	DY 03	Cumulative
Total Expenditures Reported on the CMS-64	116,125,621	47,439,967	4,085,993	167,651,581
Plus Estimated Expenditures Yet To Be Reported	14,524,388	3,212,058	(4,085,993)	13,650,453
Total Estimated Expenditures	130,650,009	50,652,025	0	181,302,034
Member Months	305,883	83,761	0	389,644
Marketplace Choice Plan PMPM Cost	$ 427.12	$ 604.72	$ -	$ 465.30

Note
The Demonstration ended after DY-02. The CMS-64 report currently includes DY-03 expenses that should have been reported as Wellness Plan expenditures and not as Marketplace Choice Plan expenditures.

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	Without Waiver		
	DY 01	**DY 02**	**DY 01-02**
Marketplace Choice Plan Member Months	305,883	83,761	389,644
Marketplace Choice Plan PMPM	$ 574.36	$ 601.35	$ 580.16
Marketplace Choice Plan Expenditures	$ 175,686,960	$ 50,369,677	$ 226,056,637
	With Waiver		
Marketplace Choice Plan Member Months	305,883	83,761	389,644
Marketplace Choice Plan PMPM	$ 427.13	$ 604.77	$ 465.31
Marketplace Choice Plan Expenditures	$ 130,650,362	$ 50,656,506	$ 181,306,868
	Estimated Waiver Savings / (Cost)		
Marketplace Choice Plan PMPM	$ 147.23	$ (3.42)	$ 114.85
Marketplace Choice Plan Expenditures	$ 45,036,598	$ (286,829)	$ 44,749,769

B. Cost Efficiencies

In the interim report changes were made to the proposed analysis for the cost efficiencies that was stated in the evaluation design. (http://dhs.iowa.gov/sites/default/files/MarketplaceChoicePlanEvaluationDesignApproval.pdf). The results of the emergency department cost and prescriptions were calculated to refine the method of determining cost efficiencies for the total costs that will be included in the final summative report. “In comparing WP per member per month (PMPM) cost and use to FMAP PMPM cost and use, the ED and prescription medicine PMPM cost and use are all significantly less. These comparisons are critical as both the cost and utilization are determined from claims and not encounters, providing a direct comparison.” https://dhs.iowa.gov/sites/default/files/IHAWP_Interim_Report_2015.pdf

X. Recommendations

The involvement of different stakeholders and provider groups worked well in developing and implementing the healthy behaviors and outreach plan. This

Demonstration showed that the Healthy Behaviors program did allow some members the opportunity to waive premiums. In order to reach more members, further ongoing outreach with providers and stakeholders such as more local training to engage members is recommended.

Iowa conducted a member letter and postcard campaign. As with any campaign of this sort, it is difficult to measure the effectiveness i.e. did the member read the material. It does, however, introduce the program to members and would recommend that this continue.

The campaign for sending messages to members email was not accomplished as there was not a method to store the email addresses. However, members could sign up to receive information and updates to the program for a newsletter distributed electronically. There were a number of members who did this.

The MCO also have different strategies to educate and incentivize members. One MCO gives gift card when a member has a physical exam. MCOs may call members and answer any questions. As MCOs have more direct contact with members than the fee-for-service program, using the resources of the MCO is a recommendation that would further encourage members to complete the healthy behaviors.

XI. Conclusions

The Demonstration showed there was a unmet need for health care coverage for adults ages 19-64 with income at or below 133% FPL and this need was met for 37,609 Iowans. Members were able to access care as needed. The Healthy Behaviors Program was successful in waiving some premiums, but more work should be done to encourage more members to participate.

The volatility of the Marketplace led two QHPs to withdraw from participating in the MPC Demonstration due to fiscal insolvency. Members were able to transfer to the Iowa Wellness Plan to continue health care coverage. .

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